

Commonwealth of Kentucky
Personnel Cabinet

Health Insurance Program Monthly Report



Prepared for

Kentucky Group Health Insurance
Board Members

June 2008

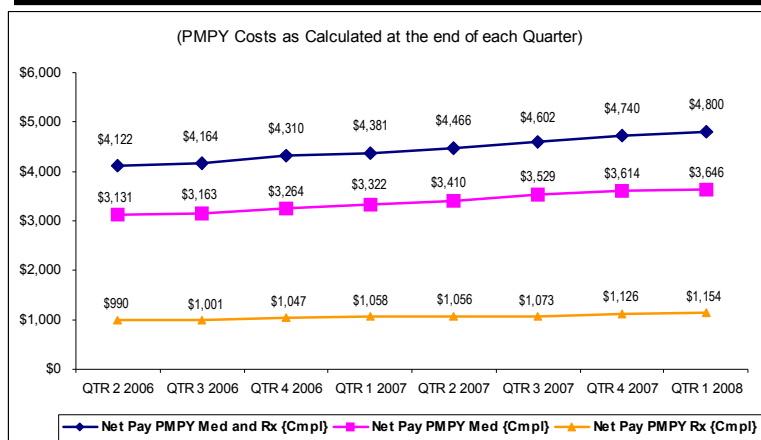
DASHBOARD REPORT: BASED ON INCURRED CLAIMS

Includes Projections for Incurred, but Not yet Reported Claims (IBNR or CMPL)

Enrollment

Fact	Feb 2007 - Jan 2008	Feb 2006 - Jan 2007	% Change
Employees Avg Med	151,090	147,015	2.80%
Members Avg Med	245,318	236,706	3.60%
Family Size Avg	1.6	1.6	0.80%
Member Age Avg	36.6	37.7	-3.00%

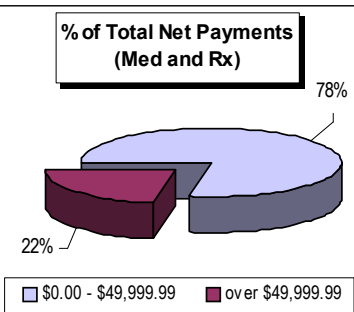
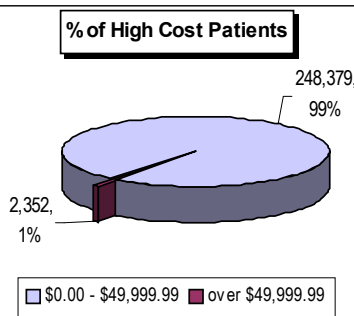
Net Incurred Claims Cost Per Member



Allowed Claims Costs PMPY with Norms

	Feb 2006 - Jan 2007	Feb 2007 - Jan 2008	Trend	Recent US Norm	Comp to Norm
Allow Amt PMPY Med {Cmpl}	\$3,600.95	\$3,920.16	9%	\$3,591.49	8.38%
Allow Amt PMPY IP Acute {Cmpl}	\$1,024.54	\$1,094.65	7%	N/A	N/A
Allow Amt PMPY OP Med {Cmpl}	\$2,565.11	\$2,815.41	10%	\$2,447.62	13.06%
Allow Amt PMPY OP Fac Med {Cmpl}	\$1,062.12	\$1,316.60	24%	N/A	N/A
Allow Amt PMPY Office Med {Cmpl}	\$905.17	\$978.62	8%	\$0.00	N/A
Allow Amt PMPY OP Lab {Cmpl}	\$222.45	\$242.93	9%	\$0.00	N/A
Allow Amt PMPY OP Rad {Cmpl}	\$448.52	\$485.51	8%	\$0.00	N/A
Out of Pocket PMPYMed {Cmpl}	\$329.01	\$335.64	2%	\$650.26	-93.74%
Allow Amt PMPY Rx {Cmpl}	\$1,229.62	\$1,296.92	5%	\$1,011.37	22.02%
Out of Pocket PMPYRx {Cmpl}	\$216.63	\$207.99	-4%	\$0.00	N/A

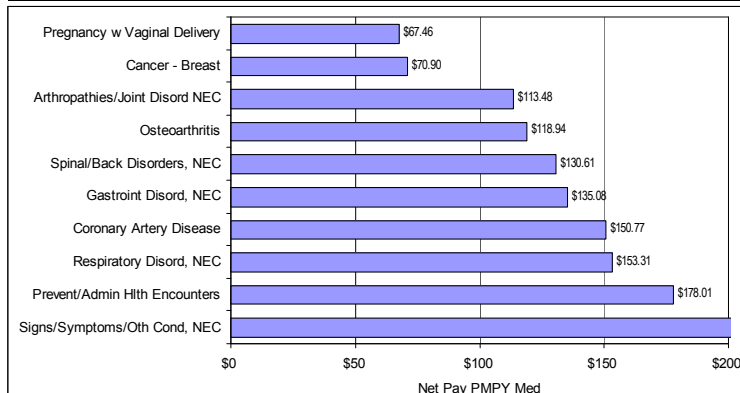
High Cost Claimants February 07 - January 08



Prescription Drug Programs

		Feb 2006 - Jan 2007	Feb 2007 - Jan 2008	% Change
Mail Order	Discount Off AWP % Rx	33.88%	36.65%	8.19%
	Scripts Generic Efficiency Rx	91.08%	91.00%	-0.08%
Retail	Discount Off AWP % Rx	33.99%	37.31%	9.77%
	Scripts Generic Efficiency Rx	94.18%	93.82%	-0.38%
Total	Discount Off AWP % Rx	33.98%	37.21%	9.52%
	Scripts Generic Efficiency Rx	94.06%	93.67%	-0.41%
	Scripts Maint Rx % Mail Order	6.15%	7.64%	24.14%

Top 10 Clinical Conditions



Cost Drivers Support

Fact	Feb 2006 - Jan 2007	Feb 2007 - Jan 2008	% Change
Allow Amt Per Day Adm Acute	\$2,815.48	\$3,066.14	8.90%
Days Per 1000 Adm	349.58	342.45	-2.04%
Allow Amt Per Visit OP	\$636.10	\$735.02	15.55%
Visits Per 1000 OP Fac Med	1,669.70	1,775.28	6.32%
Allow Amt Per Visit Office Med	\$108.74	\$113.90	4.74%
Visits Per 1000 Office Med	8,323.56	8,505.00	2.18%
Allow Amt Per Day Supply Rx	\$2.22	\$2.24	0.82%
Days Supply PMPY Rx	553.96	579.48	4.61%

Cost Drivers—Utilization and Price Trends

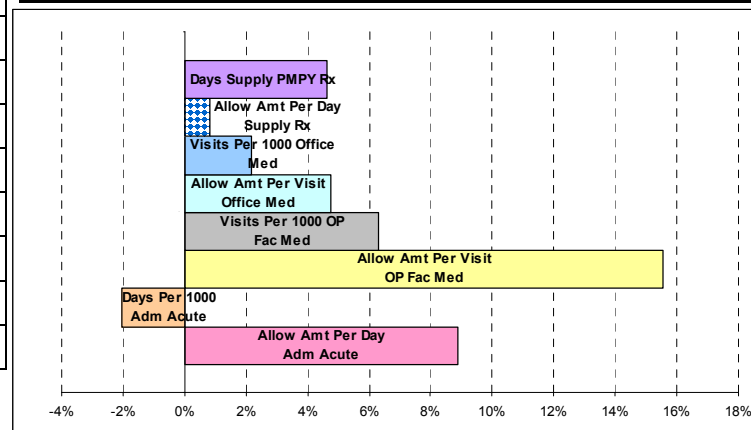


Table of Contents

Introduction.....	4
Overview.....	4
Definitions.....	5
Enrollment	6-8
Claims Costs	9-12
Medical Claims Utilization.....	13
Analysis of Deductibles.....	14-15
Analysis of Individuals and Families Meeting their Out of Pocket Expenses	16-17
Premium (or Premium Equivalent).....	18
Rx Utilization.....	19-23
Utilization	24-25
Claims Lag Analysis	26-27
Claims Distribution based on Age/Gender.....	28
Allowed Amount Distribution.....	29
Summary of Enrollment and Claims	30

Introduction

The Department of Employee Insurance (DEI) is pleased to provide an analysis of the Kentucky Employees Health Plan. In response to requests for data analysis, this report has been prepared to provide information related to enrollment, claims payment, and utilization.

It is the Department's intent to update this information on a monthly basis in an effort to provide current information about Kentucky's Health Insurance Program.

Overview

This report is compiled using Medstat, which is DEI's health insurance information management system. Medstat warehouses enrollment and claims data. Enrollment data is provided by DEI while claims data is provided by each carrier and/or TPA.

Claims information may be analyzed by either "incurred" or "paid" dates. "Incurred" reports specify paid amounts for claims that were incurred in a specified timeframe. Due to the lag time in submittal and payment of claims, historical reports that are based on incurred claims may change significantly with each new database update since additional incurred claims will be added. "Paid" claims reports specify the paid amount for claims regardless of when the claims may have been incurred. Unless otherwise specified, data contained in this report are based on "incurred" claims.

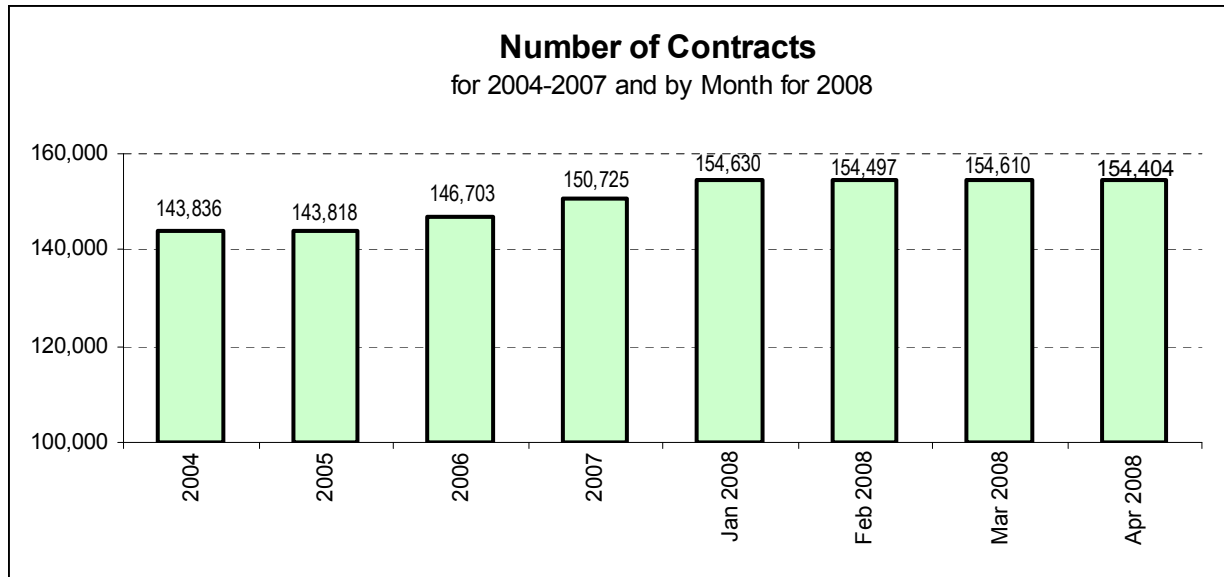
Enrollment in the KEHP changes on a daily basis due to a variety of reasons such as: new hires, adding dependents, dropping dependents, marriage, divorce, becoming Medicare eligible, etc. Therefore, Medstat is dealing with a fluid enrollment base. Also, each carrier processes claims slightly differently. During 2006 Medstat processed enrollment information for a total of **258,809** members as well as **7,973,124** claims (3,96,007 Medical claims and 4,584,166 prescriptions) from different carriers. When dealing with such large numbers it is impossible to tag every claim to a corresponding group, carrier, service type, etc. While the tagging rate for the KEHP data exceeds 99%, you may still see information on reports stated as "~Missing". This indicates any enrollment or claims that could not be "tagged" by Medstat.

Definitions

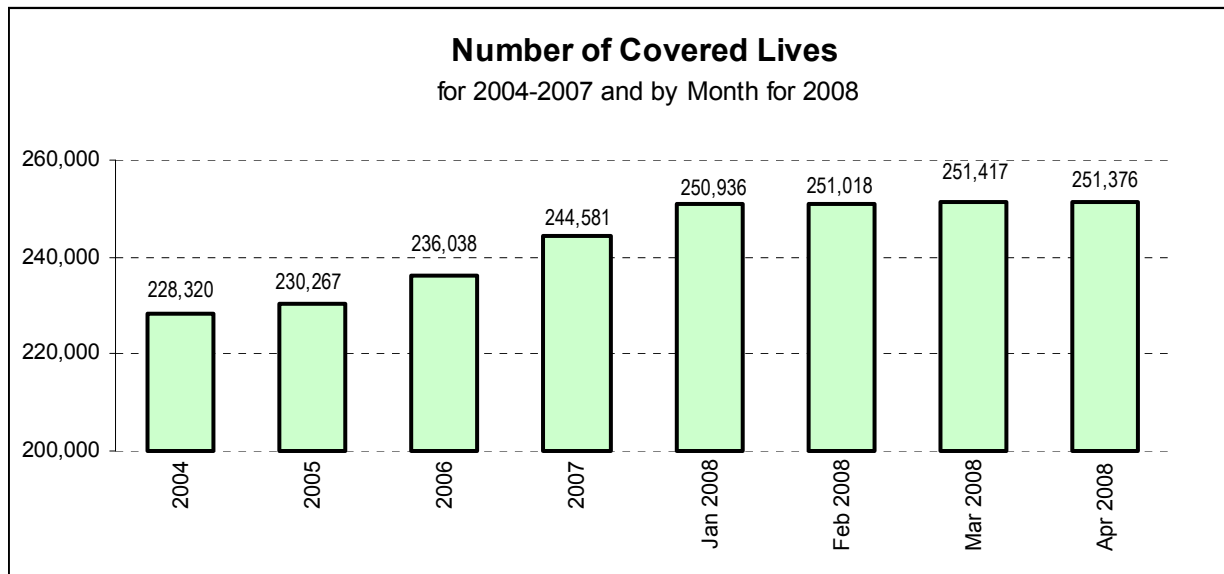
- **Employee** represents an individual eligible to participate in KEHP as a retiree in either KTRS or KRS, or by being employed by one of the agencies that participate with KEHP (example: state employee, school boards, Quasi agency, etc.). Employee may also be referred to as “planholder” or “contracts”. Please note that Medstat deals with Cross-reference plans uniquely. Although there are in fact two “employees” Medstat can only designate the planholder as an employee. Therefore, the cross-referenced spouse is considered a dependent and all claims and utilization data related to them is counted as a “member”.
- **Member** includes all employees plus any dependents that are covered through the KEHP. Members may also be referred to as “covered lives”.
- **Group** is Kentucky Retirement System (KRS), Kentucky Teachers Retirement System (KTRS), State Employees, School Boards, or Other (includes: COBRA, Health Departments, KCTCS, Quasi/Local Governments).
- **Plan** is Commonwealth Essential, Commonwealth Enhanced, Commonwealth Premier, Commonwealth Select, HMO Option A, HMO Option B, POS Option A, POS Option B, PPO Option A, PPO Option B, or EPO Option C.
- **Carrier** may be Aetna, Anthem, Bluegrass Family Health, CHA Health, United Healthcare, or Humana (please note that Express Scripts data is designated as Humana).
- **Generic Efficiency** means the number of prescriptions that are filled with a generic product as a percentage of the total number of prescriptions where a generic is available.
- **OOP** is the amount paid out-of-pocket by the member for facility, professional, and prescription drug services. This generally includes coinsurance, co-payment, and deductible amounts.
- **Allowed Amount** is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.
- **Net Payment** is the net amount paid for all claims. It represents the amount after all pricing guidelines have been applied, and all third party, co-payment, coinsurance, and deductible amounts have been subtracted.
- **Patients** is the unique count of members who received facility, professional, or pharmacy services.
- **Days Supply** is the number of days for which drugs were supplied for prescriptions filled. It represents the number of days of drug therapy covered by a prescription.
- **Mail Order** is computed as any script filled with a “days supply” of more than 30 days, regardless of the physical location where the prescription was filled.
- **Retail** is computed as any script filled with a “days supply” of 30 days or less, regardless of the physical location where the prescription was filled.

Enrollment

The following chart show planholder enrollment (contracts) for 2004-2007 and monthly year-to-date for 2008. Enrollment will fluctuate on a monthly basis. (Approximately 7,500 cross-referenced spouses in any given month are not included)

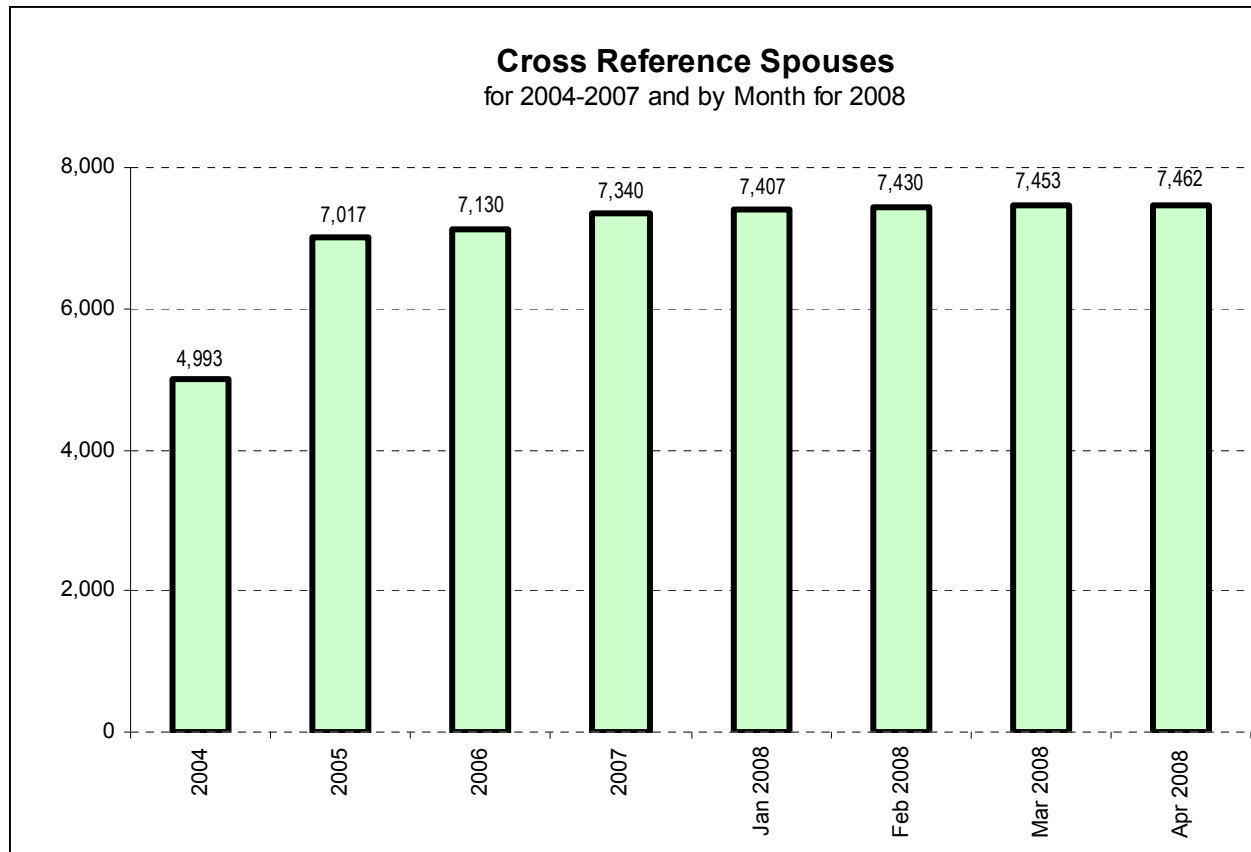


The following chart show member enrollment (covered lives) for 2004-2007 and monthly year-to-date for 2008. Enrollment will fluctuate on a monthly basis.



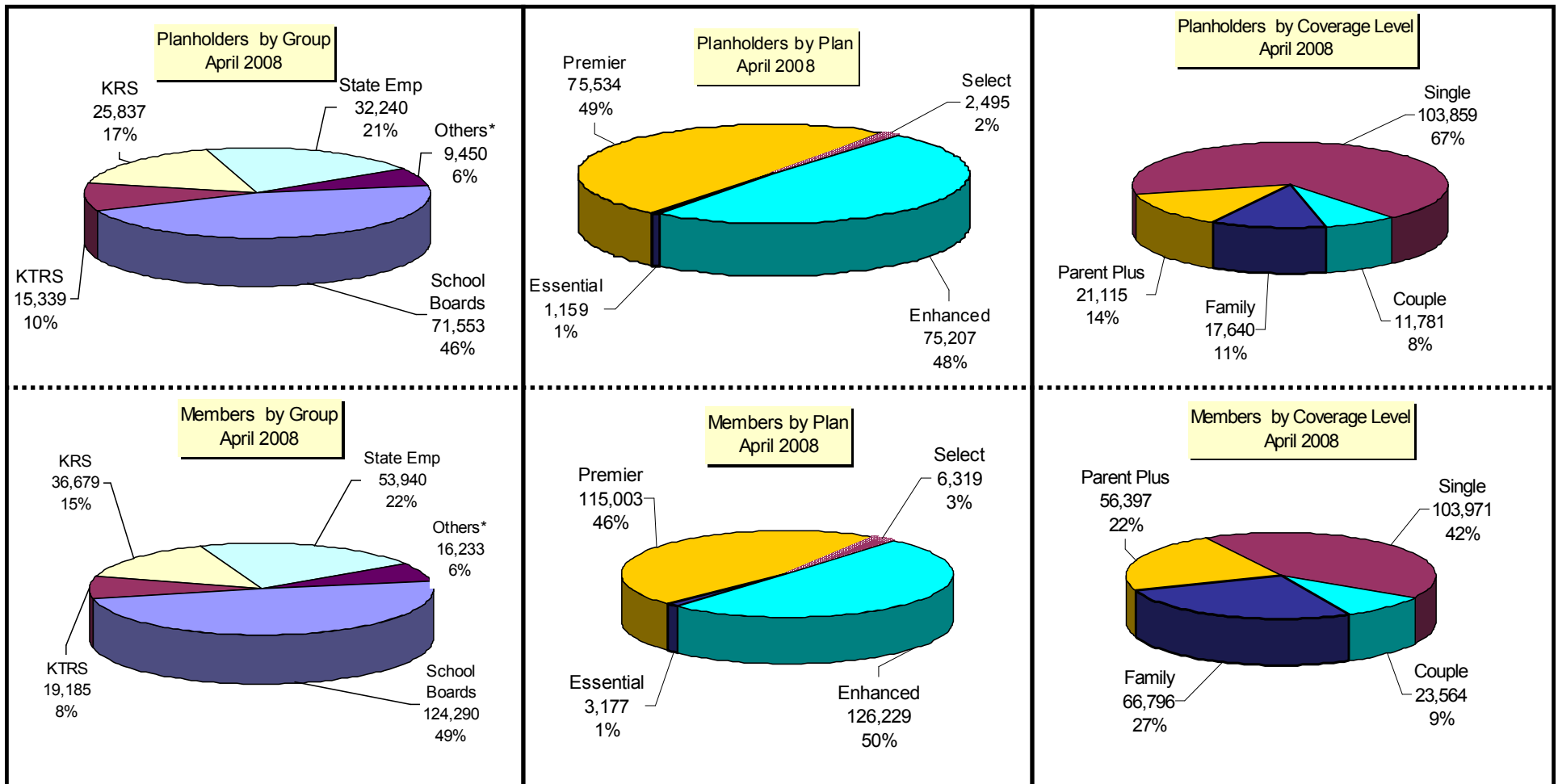
Enrollment *(continued)*

The following graph shows the number of cross-reference spouses for 2004-2007 and monthly year-to-date for 2008. The number of Cross Referenced Spouses will fluctuate on a monthly basis.



Enrollment (continued)

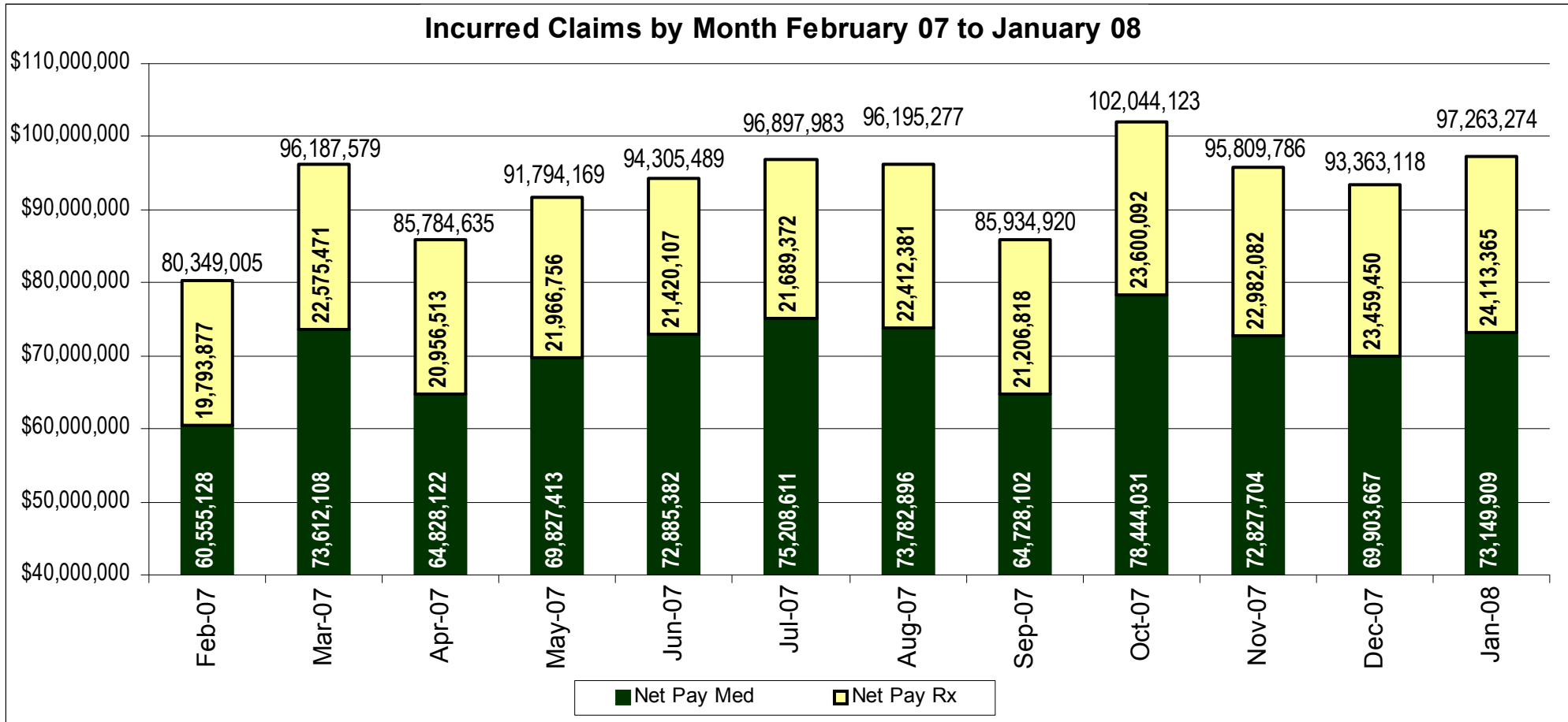
The following charts show Planholder and Member enrollment by group, plan, and coverage level.



* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs

Claims costs include Medical and Prescription (Rx) for the most recent rolling year. Based on Incurred Claims.



Claims Costs *(continued)*

The following tables represent **incurred** claims by **Group** for 2004 - 2007 and monthly year-to-date for 2008.

INCURRED MEDICAL CLAIMS (no Rx) by Group:

	School Boards	KTRS	KRS	State Employees	Others	Totals
2004	\$246,147,555	\$70,821,610	\$105,467,391	\$123,091,625	\$44,876,807	\$590,404,988
2005	\$258,765,695	\$80,441,575	\$122,087,491	\$127,048,597	\$43,800,319	\$632,143,678
2006	\$304,893,885	\$93,068,190	\$145,261,308	\$150,168,644	\$47,861,700	\$741,253,727
2007	\$358,697,800	\$104,020,659	\$168,397,311	\$157,674,132	\$54,883,844	\$843,673,747
Jan-08	\$29,914,928	\$9,348,567	\$15,954,845	\$13,053,824	\$4,877,745	\$73,149,909

INCURRED Rx CLAIMS (no Med) by Group:

	School Boards	KTRS	KRS	State Employees	Others	Totals
2004	\$65,369,460	\$24,608,695	\$34,687,723	\$32,464,692	\$11,366,382	\$168,496,952
2005	\$69,902,366	\$27,093,871	\$39,707,393	\$34,313,121	\$11,808,579	\$182,825,330
2006	\$92,685,236	\$35,019,149	\$53,085,444	\$42,885,008	\$13,461,121	\$237,135,958
2007	\$102,815,072	\$37,896,987	\$61,599,090	\$46,106,537	\$15,384,812	\$263,802,497
Jan-08	\$9,306,909	\$3,428,921	\$5,804,564	\$4,163,120	\$1,409,852	\$24,113,365

* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs *(continued)*

The following tables represent **incurred** claims by **Plan** for 2004-2007 and monthly year-to-date for 2008.

INCURRED MEDICAL CLAIMS (no Rx) by PLAN:

Time Period	Commonwealth				Old HMO Products	Old POS Products	Old PPO Products	Old EPO Products	Missing*	Total
	Enhanced	Essential	Premiere	Select						
2004	\$252,667	\$96,285	\$420,830	\$0	\$212,909,645	\$40,885,382	\$325,224,613	\$5,524,470	\$5,091,095	\$590,404,987
2005	\$224,064,043	\$5,706,857	\$398,897,273	\$807	\$12,164	\$900	\$179,854	\$70	\$3,281,710	\$632,143,678
2006	\$285,554,276	\$5,359,200	\$446,169,986	\$2,399	\$0	\$0	\$0	\$0	\$4,167,867	\$741,253,727
2007	\$334,228,210	\$4,977,867	\$493,308,455	\$6,947,585	\$0	\$0	\$0	\$0	\$4,211,630	\$843,673,747
Jan-08	\$27,258,278	\$234,923	\$44,881,548	\$525,126	\$0	\$0	\$0	\$0	\$250,034	\$73,149,909

INCURRED Rx CLAIMS (no Med) by PLAN:

Time Period	Commonwealth				Old HMO Products	Old POS Products	Old PPO Products	Old EPO Products	Missing*	Total
	Enhanced	Essential	Premiere	Select						
2004	\$53,616	\$2,484	\$77,187	\$0	\$58,944,733	\$13,448,392	\$94,468,015	\$678,460	\$824,066	\$168,496,953
2005	\$224,064,043	\$5,706,857	\$398,897,273	\$0	\$12,164	\$900	\$179,854	\$70	\$3,282,517	\$632,143,678
2006	\$285,554,276	\$5,359,200	\$446,169,986	\$0	\$0	\$0	\$0	\$0	\$4,170,266	\$741,253,727
2007	\$334,228,210	\$4,977,867	\$493,308,455	\$6,947,585	\$0	\$0	\$0	\$0	\$4,211,630	\$843,673,747
Jan-08	\$27,258,278	\$234,923	\$44,881,548	\$525,126	\$0	\$0	\$0	\$0	\$250,034	\$73,149,909

HMO = HMO Option A plus HMO Option B

POS = POS Option A plus POS Option B

PPO = PPO Option A plus PPO Option B

*Missing means the claims could not be tagged to a specific plan.

Claims Costs *(continued)*

The following represents **incurred medical claims only** (does not include Rx) by **Coverage Level** for 2004-2007 and monthly year-to-date for 2008.

INCURRED MEDICAL CLAIMS (no Rx) by Coverage Level:

Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$79,155,863	\$103,820,755	\$86,067,017	\$316,270,259	\$5,091,095	\$590,404,989
2005	\$87,259,924	\$118,831,621	\$89,302,093	\$333,467,938	\$3,282,102	\$632,143,678
2006	\$104,954,925	\$141,073,006	\$103,377,209	\$387,680,720	\$4,167,867	\$741,253,727
2007	\$123,180,617	\$158,036,182	\$115,894,704	\$442,350,613	\$4,211,630	\$843,673,747
Jan-08	\$11,150,002	\$13,035,118	\$9,647,086	\$39,067,670	\$250,034	\$73,149,909

The following represents **incurred Rx claims only** (does not include medical) by **Coverage Level** for 2004-2007 and monthly year-to-date for 2008.

INCURRED Rx CLAIMS (no Med) by Coverage Level:

Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$25,937,109	\$29,646,733	\$19,042,131	\$93,046,913	\$824,066	\$168,496,952
2005	\$28,909,182	\$34,191,722	\$19,160,269	\$99,827,438	\$736,720	\$182,825,330
2006	\$38,228,061	\$43,810,095	\$25,942,797	\$128,152,200	\$1,002,805	\$237,135,958
2007	\$42,595,527	\$49,271,886	\$29,728,376	\$141,627,343	\$579,366	\$263,802,497
Jan-08	\$3,935,226	\$4,411,321	\$2,780,891	\$12,937,583	\$48,345	\$24,113,365

**Unable to tag claims to a specific coverage level*

Medical Claims Utilization

The following is based on medical claims* (does not include Rx) incurred from February 2007 through January 2008.

Commonwealth Plan	Admits Per 1000 Acute	Admits Per 1000 Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days LOS Admit Acute	Days LOS Admit Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days Per 1000 Adm Acute	Days Per 1000 Adm Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}
Enhanced	70.19	73.38	-4.35%	3.63	3.91	-7.09%	255.09	297.41	-14.23%
Essential	59.17	63.96	-7.50%	4	4.63	-13.66%	236.67	261.23	-9.40%
Premier	108.02	80.14	34.79%	4.33	4.29	0.99%	467.49	345.54	35.29%
Select	46.34	60.4	-23.28%	3.79	3.73	1.57%	175.7	235.05	-25.25%
Total	70.93	69.47	2.10%	3.94	4.14	-4.89%	283.74	284.81	-0.38%

Commonwealth Plan	Visits Per 1000 Office Med	Visits Per 1000 Office Med {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Visits Per 1000 ER	Visits Per 1000 ER {Rcnt SGovt}	%Diff from {Rcnt SGovt}
Enhanced	8,057.34	7,053.57	14.23%	178.71	203.17	-12.04%
Essential	4,056.70	6,382.03	-36.44%	181.2	201.04	-9.87%
Premier	10,402.77	7,836.15	32.75%	224.25	201.2	11.46%
Select	5,877.39	6,170.39	-4.75%	144.81	201.42	-28.11%
Total	7,098.55	6,860.54	1.45%	182.24	201.71	-9.64%

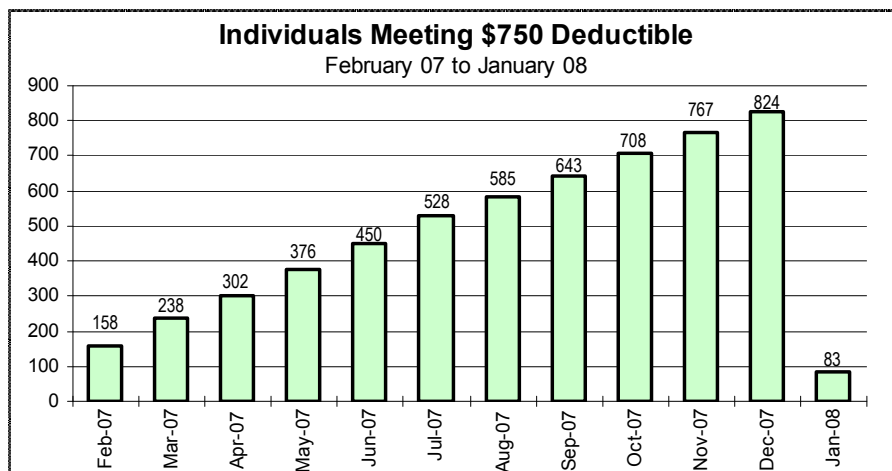
Commonwealth Plan	Svcs Per 1000 OP Lab	Svcs Per 1000 OP Lab {Rcnt US}	%Diff from {Rcnt US}	Svcs Per 1000 OP Rad	Svcs Per 1000 OP Rad {Rcnt US}	%Diff from {Rcnt US}
Enhanced	7,674.47	6,154.38	24.70%	2,556.37	2,071.46	23.41%
Essential	4,777.81	5,327.98	-10.33%	1,442.22	1,722.12	-16.25%
Premier	10,822.00	7,091.67	52.60%	3,843.13	2,522.29	52.37%
Select	5,300.08	4,976.75	6.50%	1,704.91	1,576.63	8.14%
Total	7,143.59	5,887.70	18.37%	2,386.66	1,973.13	16.92%

*Services are tracked by each service, not by each visit. Therefore, if two laboratory services are performed at one visit, it will count as two services.

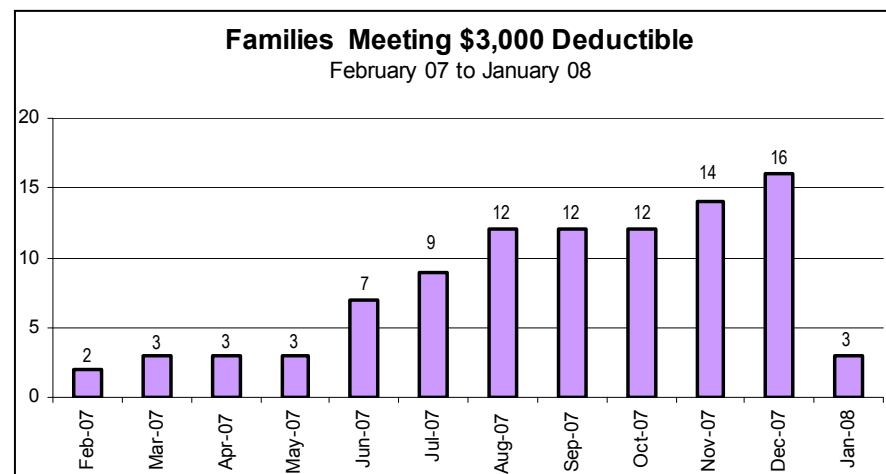
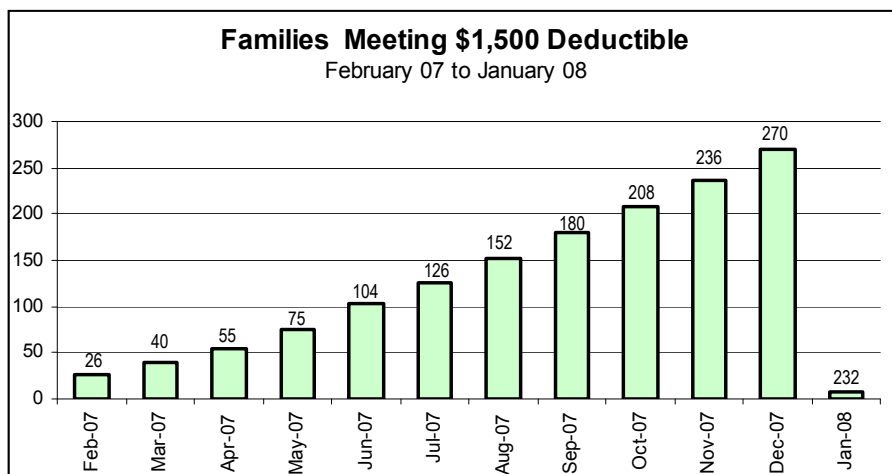
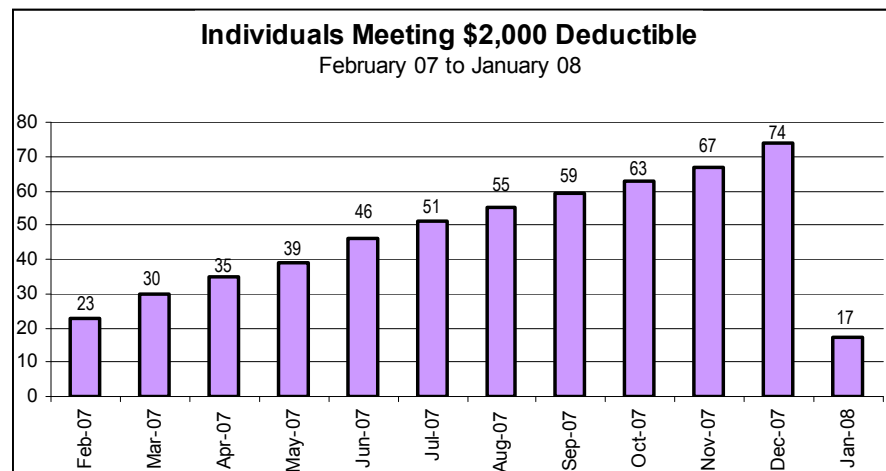
Analysis of Individuals and Families Meeting Their Deductibles

The following details the number of individuals and families by plan that met their deductible for the most recent rolling year. This report is based on incurred claims.

Commonwealth Essential



Commonwealth Select



Individuals and Families in Essential Plan

2005:	18.63%	of Individuals and	11.45%	of Families met their Deductibles.
2006:	22.14%	of Individuals and	16.35%	of Families met their Deductibles.
2007	22.08%	of Individuals and	17.13%	of Families met their Deductibles.
In 2008:	2.56%	of Individuals and	0.59%	of Families met their Deductibles.

Individuals and Families in Select Plan

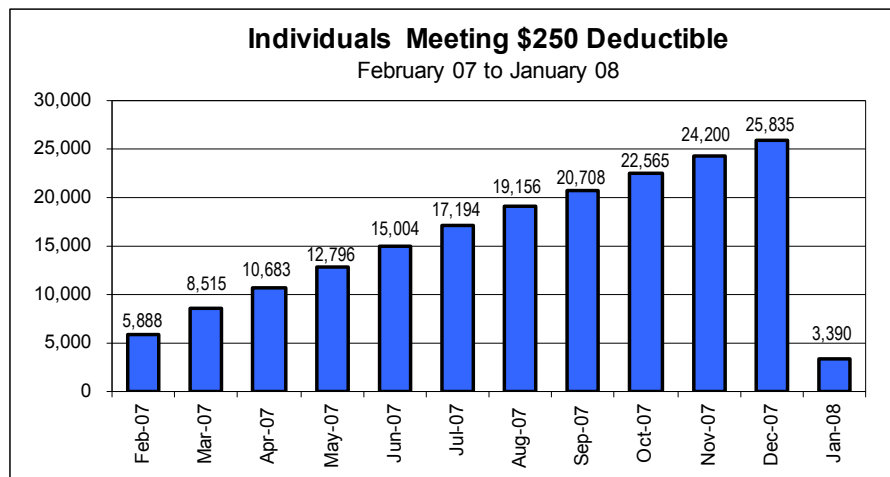
2007:	1.64%	of Individuals and	0.73%	of Families met their Deductibles.
In 2008:	0.27%	of Individuals and	0.12%	of Families met their Deductibles.

Note: For the Select Plan only, prescription drug coinsurance amounts are included in MOP totals.

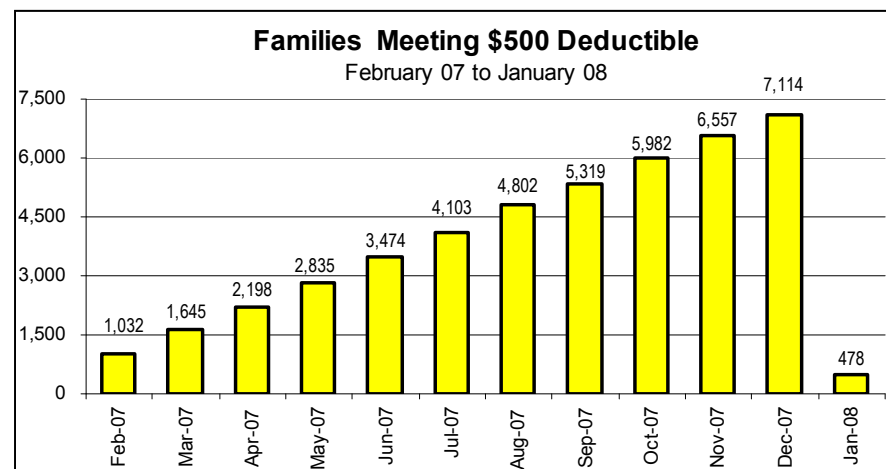
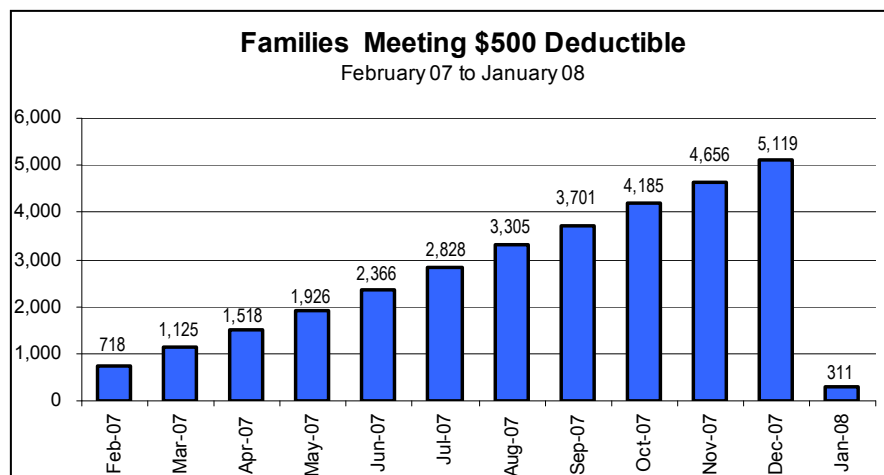
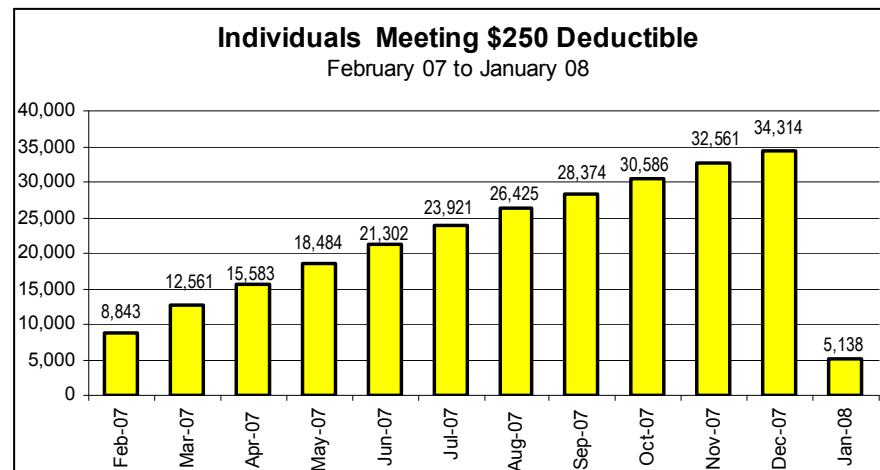
Analysis of Individuals and Families Meeting Their Deductibles *(continued)*

The following details the number of individuals and families by plan that met their deductible for the most recent rolling year. This report is based on incurred claims.

Commonwealth Enhanced



Commonwealth Premier



Individuals and Families In Enhanced Plan

2005:	19.36%	of Individuals &	4.59%	of Families met their Deductibles.
2006:	21.52%	of Individuals &	7.23%	of Families met their Deductibles.
2007:	21.24%	of Individuals &	6.36%	of Families met their Deductibles.
In 2008:	02.69%	of Individuals &	0.41%	of Families met their Deductibles.

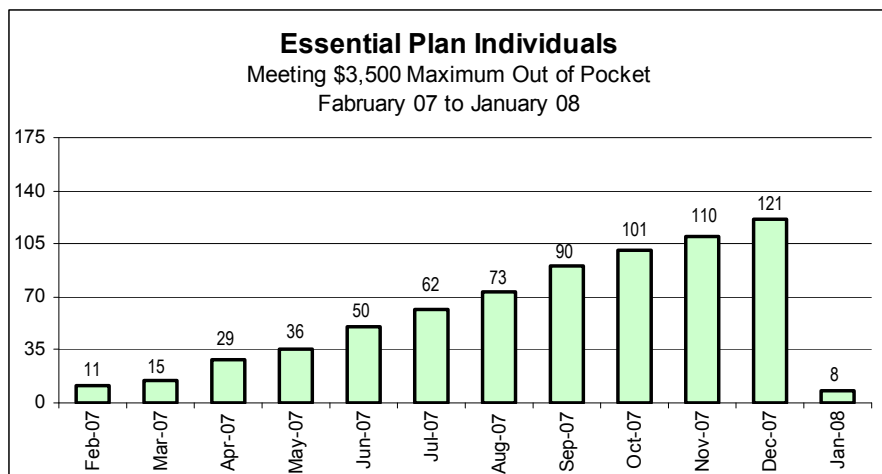
Individuals and Families In Premier Plan

2005:	27.80%	of Individuals and	6.65%	of Families met their Deductibles.
2006:	30.15%	of Individuals and	9.95%	of Families met their Deductibles.
2007:	29.92%	of Individuals and	8.78%	of Families met their Deductibles.
In 2008:	4.44%	of Individuals and	0.63%	of Families met their Deductibles.

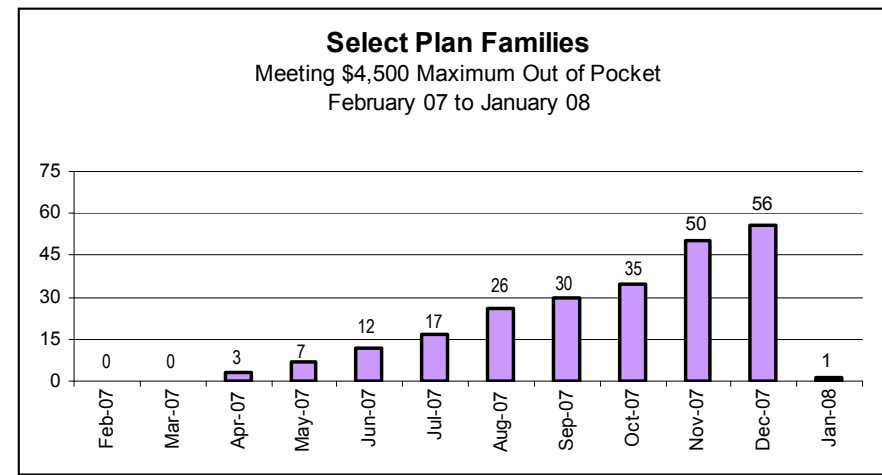
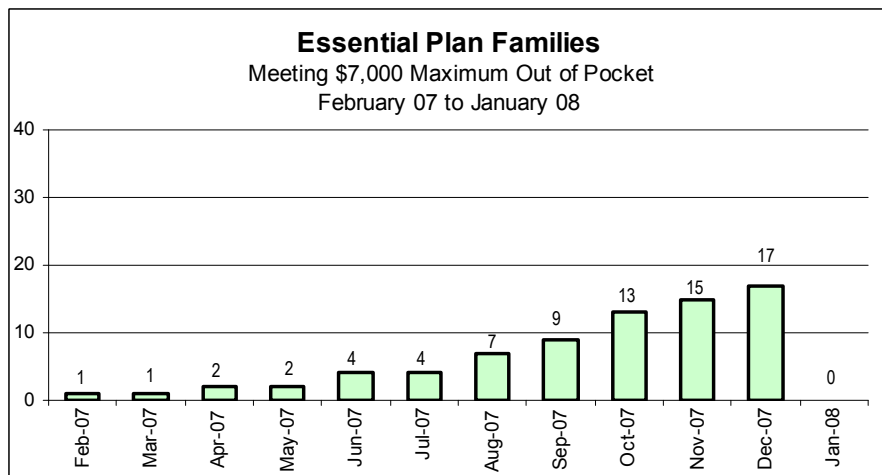
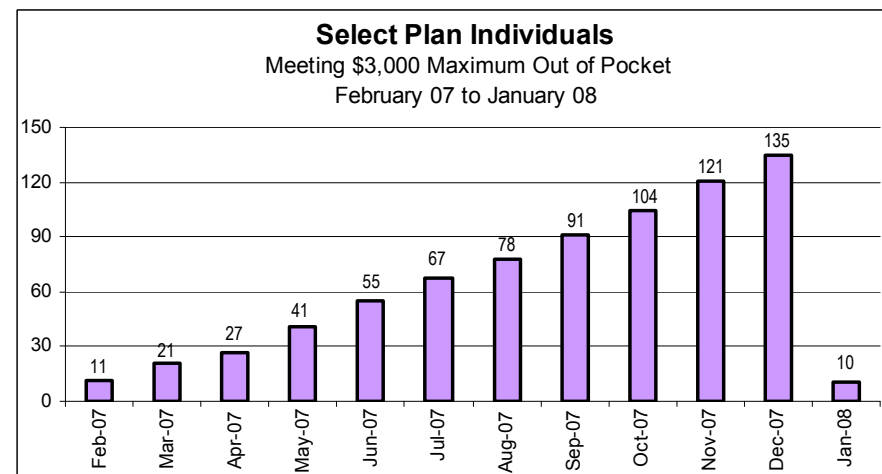
Analysis of Individuals and Families Meeting Their Maximum Out of Pocket Expenses

The following details the number of individuals and families by plan that met their maximum out of pocket expenses for the most recent rolling year. This report is based on incurred claims.

Commonwealth Essential



Commonwealth Select



Individuals and Families in Essential Plan			
2005:	1.14%	of Individuals and	0.22% of Families met their MOPs.
2006:	2.96%	of Individuals and	1.08% of Families met their MOPs.
2007:	3.24%	of Individuals and	1.08% of Families met their MOPs.
In 2008:	0.25%	of Individuals and	0.00% of Families met their MOPs.

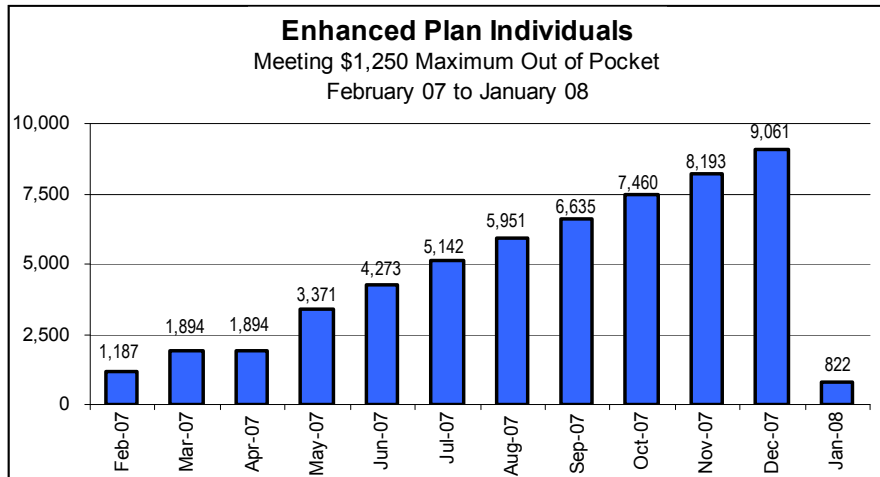
Individuals and Families in Select Plan			
2007:	2.99%	of Individuals and	2.56% of Families met their Deductibles.
In 2008:	0.16%	of Individuals and	0.04% of Families met their Deductibles.

Note: For the Select Plan only, prescription drug coinsurance amounts are included in MOP totals.

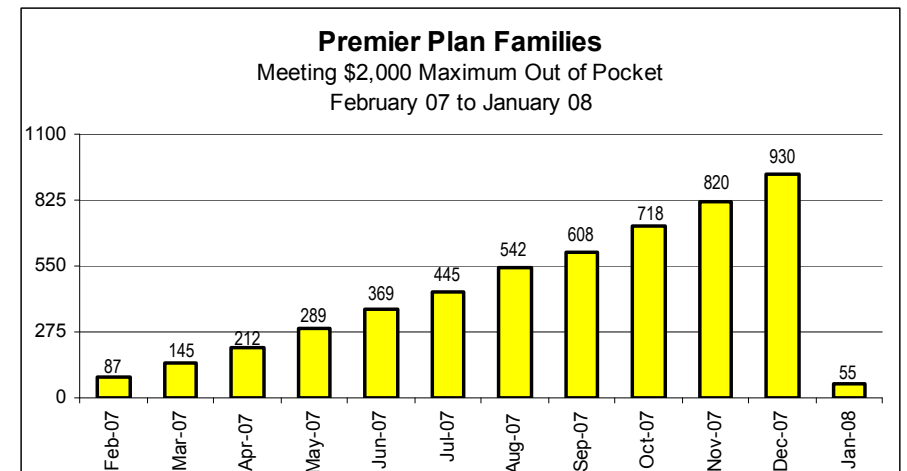
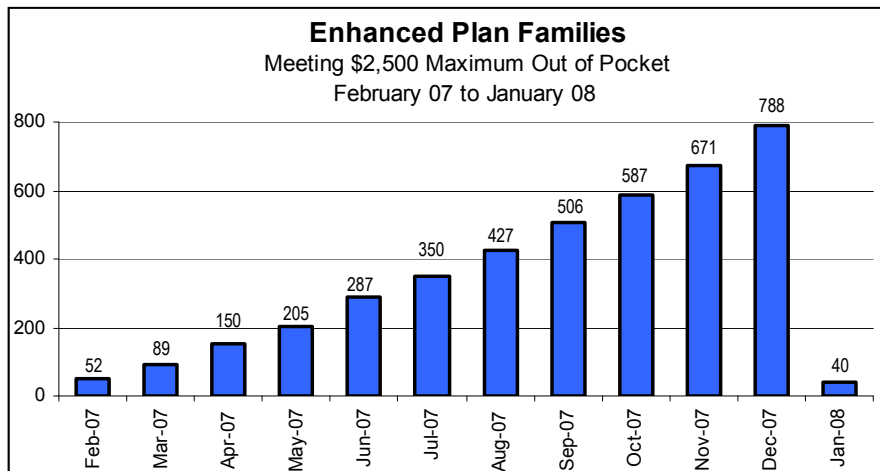
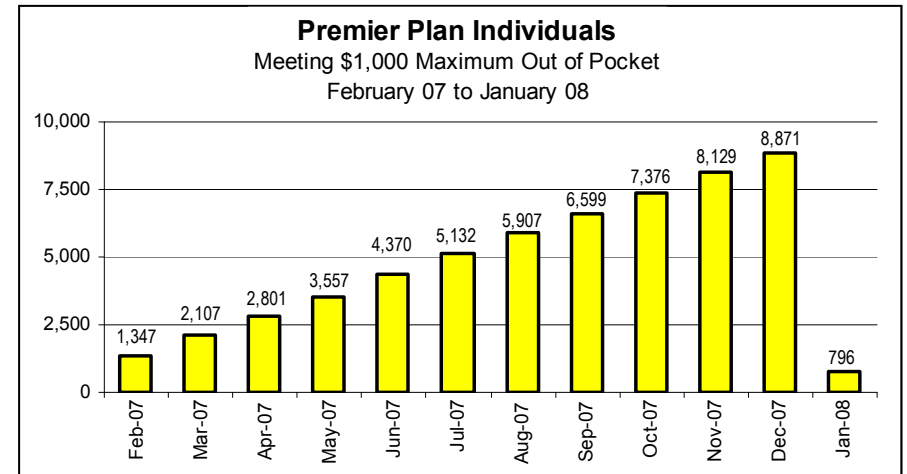
Analysis of Individuals and Families Meeting Their Maximum Out of Pocket Expenses *(continued)*

The following details the number of individuals and families by plan that met their maximum out of pocket expenses for the most recent rolling year. This report is based on incurred claims.

Commonwealth Enhanced



Commonwealth Premier



Individuals and Families In Enhanced Plan			
2005:	3.34%	of Individuals &	0.83% of Families met their MOPs.
2006:	5.79%	of Individuals &	0.94% of Families met their MOPs.
2007:	7.45%	of Individuals and	0.98% of Families met their MOPs.
In 2008:	0.65%	of Individuals and	0.05% of Families met their MOPs.

Individuals and Families In Premier Plan			
2005:	3.38%	of Individuals and	0.53% of Families met their MOPs.
2006:	6.70%	of Individuals and	1.17% of Families met their MOPs.
2007:	7.74%	of Individuals and	1.15% of Families met their MOPs.
In 2008:	0.69%	of Individuals and	0.07% of Families met their MOPs.

Premium (or Premium Equivalent)

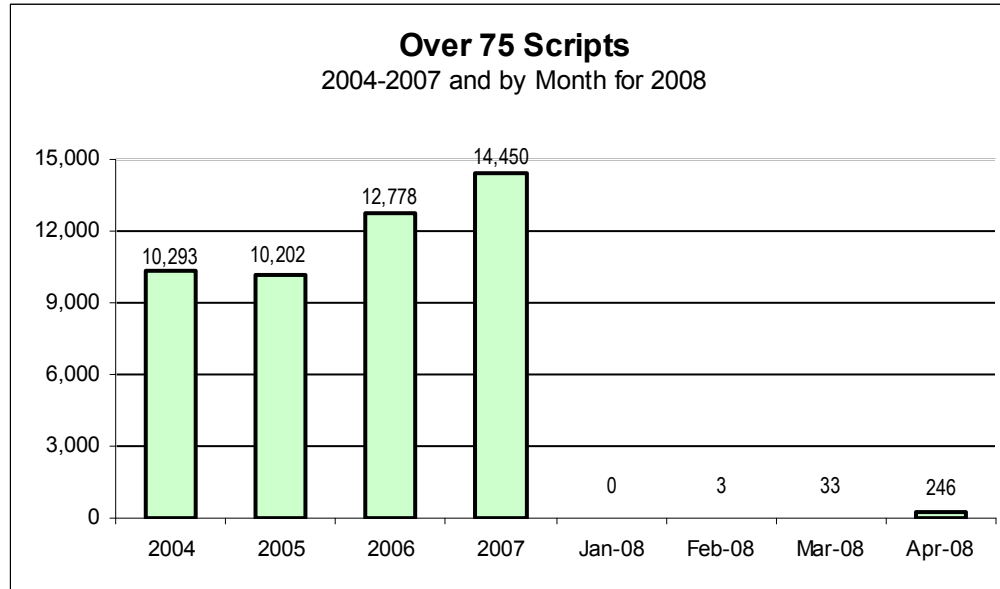
The following details the amount of premium* (or premium equivalent) paid by the employee and employer for 2004-2007 and monthly through 2008.

Time Period	Employee Premium Amount	Employer Premium Amount	Total Premium Amount
2004	\$213,004,714	\$492,025,888	\$705,030,602
2005	\$148,029,637	\$779,647,097	\$927,676,733
2006	\$153,787,780	\$948,458,338	\$1,102,246,118
2007	\$167,530,819	\$973,220,791	\$1,140,751,611
Jan-08	\$15,092,722	\$88,061,087	\$103,153,809
Feb-08	\$15,073,401	\$88,006,309	\$103,079,710
Mar-08	\$15,067,949	\$88,076,506	\$103,144,455
Apr-08	\$15,056,792	\$87,975,881	\$103,032,673

**Premium (or premium equivalent) is based on enrollment using published premium rates—it is NOT based on actual payments received.*

Prescription Drug Utilization

The following details the number of families that have purchased 75 scripts or more during 2004-2007 and by month for 2008. After a family has filled 75 prescriptions via retail purchase, the co-payment is reduced to \$10 for 2nd tier and \$20 for 3rd tier.



The table below summarizes plan impact for families regarding the scripts benefit in 2008:

Script Count, per Family	Number of Families	Number of Scripts	Avg. # of Scripts per Patient	Avg. Net Payment per Script	Net Payments For All Scripts
0 - 75	131,307	1,614,525	8.66	\$52.90	\$85,408,917.22
over 75	246	22,215	38.70	\$69.42	\$1,542,077.29
Total	131,553	1,636,740	8.76	\$53.12	\$86,950,994.51

Prescription Drug Utilization *(continued)*

The following details the type of prescription filled, the percent that were generic, and the generic efficiency rate for the most recent rolling year. Based on paid claims..

Time Period	Generic	Brand Name, Generic Available	Brand Name	Other*	Total	Scripts Rx % Generic	Scripts Generic Efficiency Rx
May-07	268,847	14,277	164,662	8,534	456,320	58.92%	94.96%
Jun-07	226,065	17,147	130,870	7,260	381,342	59.28%	92.95%
Jul-07	271,171	21,081	154,738	8,761	455,751	59.50%	92.79%
Aug-07	222,547	18,149	119,509	7,410	367,615	60.54%	92.46%
Sep-07	230,985	17,394	122,785	7,477	378,641	61.00%	93.00%
Oct-07	293,351	21,354	153,473	9,883	478,061	61.36%	93.21%
Nov-07	238,200	16,852	122,469	8,447	385,968	61.71%	93.39%
Dec-07	250,180	17,108	126,901	9,332	403,521	62.00%	93.60%
Jan-08	300,336	20,957	150,653	13,260	485,206	61.90%	93.48%
Feb-08	259,506	17,181	126,979	14,609	418,275	62.04%	93.79%
Mar-08	256,241	17,288	122,358	11,657	407,544	62.87%	93.68%
Apr-08	307,840	21,253	145,098	12,674	486,865	63.23%	93.54%

**Includes: Over the Counter (usually items such as diabetic supplies, syringes, and test strips, etc.), Other/Unavailable or Missing (Unable to tag to a specific group).*

Prescription Drug Utilization

The following details the number of members and patients **utilizing prescription benefits** and the associated costs for the most recent rolling year. Based on Incurred Claims.

Month	Members	Patients	Scripts	Scripts Per Member	Scripts Per Patient	Allow Amt* Per Script	Net Pay Per Script	Member Cost Per Script	Patient Cost Per Script
Feb-07	241,625	153,098	389,858	1.61	2.95	\$61.68	\$50.77	\$17.12	\$27.02
Mar-07	241,951	160,307	438,056	1.81	3.15	\$62.52	\$51.54	\$19.43	\$29.32
Apr-07	242,700	153,336	400,943	1.65	3.04	\$63.20	\$52.27	\$17.72	\$28.05
May-07	242,972	155,097	417,104	1.71	3.12	\$63.49	\$52.66	\$18.26	\$28.60
Jun-07	243,692	152,769	396,529	1.62	3.07	\$64.71	\$54.02	\$17.15	\$27.36
Jul-07	243,889	154,619	400,562	1.64	3.10	\$64.72	\$54.15	\$17.16	\$27.06
Aug-07	241,422	156,080	416,124	1.72	3.14	\$64.17	\$53.86	\$17.58	\$27.19
Sep-07	242,850	151,577	391,575	1.61	3.01	\$64.35	\$54.16	\$16.26	\$26.05
Oct-07	247,352	162,324	431,279	1.74	3.16	\$64.78	\$54.72	\$17.35	\$26.44
Nov-07	248,216	161,204	422,391	1.70	3.10	\$64.21	\$54.41	\$16.51	\$25.41
Dec-07	249,079	158,187	430,541	1.72	3.12	\$64.15	\$54.49	\$16.54	\$26.04
Jan-08	250,257	162,115	440,174	1.75	3.15	\$65.20	\$54.78	\$17.51	\$27.03

**"Allow Amt" is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.*

Prescription Drug Utilization

The following Top 25 Drug Analysis is based on Rx claims incurred January 2008

Rank	Prev Rank	Product Name	Brand/Generic	Therapeutic Classes	Net Pay Rx	Net Pay Rx as % of All Drugs	Scripts Rx	Net Pay Per Day Supply Rx	Patients Rx
1	1	NEXIUM	Single Source Brand	Gastrointestinal Drugs	\$735,890	3.05%	4,121	\$4.93	3,998
2	2	SINGULAIR	Single Source Brand	Unclassified Agents	\$546,207	2.27%	5,609	\$2.71	5,561
3	3	ENBREL	Single Source Brand	Unclassified Agents	\$464,711	1.93%	228	\$59.65	220
4	4	PREVACID	Single Source Brand	Gastrointestinal Drugs	\$449,357	1.86%	2,457	\$5.17	2,371
5	5	CRESTOR	Single Source Brand	Cardiovascular Agents	\$436,622	1.81%	4,567	\$2.66	4,472
6	6	EFFEXOR-XR	Single Source Brand	Central Nervous System	\$428,095	1.78%	2,924	\$4.30	2,765
7	8	TOPAMAX	Single Source Brand	Central Nervous System	\$401,879	1.67%	1,627	\$7.32	1,540
8	7	VYTORIN	Single Source Brand	Cardiovascular Agents	\$384,218	1.59%	4,063	\$2.52	3,990
9	10	PLAVIX	Single Source Brand	Blood Form/Coagul Agents	\$361,932	1.50%	2,649	\$3.84	2,574
10	11	HUMIRA	Single Source Brand	Immunosuppressants	\$354,931	1.47%	168	\$59.43	156
11	12	CYMBALTA	Single Source Brand	Central Nervous System	\$336,985	1.40%	2,446	\$4.10	2,332
12	9	ACTOS	Single Source Brand	Hormones & Synthetic Subst	\$325,997	1.35%	1,811	\$5.01	1,754
13	13	LEXAPRO	Single Source Brand	Central Nervous System	\$262,366	1.09%	3,454	\$2.25	3,372
14	19	LEVAQUIN	Single Source Brand	Anti-Infective Agents	\$261,218	1.08%	2,630	\$11.67	2,513
15	18	LIPITOR	Single Source Brand	Cardiovascular Agents	\$260,000	1.08%	2,410	\$2.92	2,346
16	N/A	TRICOR	Single Source Brand	Cardiovascular Agents	\$248,096	1.03%	2,388	\$2.83	2,316
17	20	LAMICTAL	Single Source Brand	Central Nervous System	\$218,305	0.91%	879	\$7.41	823
18	25	CELEBREX	Single Source Brand	Central Nervous System	\$210,945	0.87%	1,419	\$4.05	1,377
19	17	ZETIA	Single Source Brand	Cardiovascular Agents	\$205,383	0.85%	2,280	\$2.44	2,253
20	N/A	OMEPRAZOLE	Single Source Brand	Gastrointestinal Drugs	\$193,567	0.80%	6,729	\$0.83	6,620
21	N/A	PANTOPRAZOLE SODIUM	Single Source Brand	Gastrointestinal Drugs	\$192,387	0.80%	1,646	\$3.47	1,641
22	N/A	VALTREX	Single Source Brand	Anti-Infective Agents	\$188,300	0.78%	1,157	\$8.48	1,105
23	22	ADVAIR DISKUS 250/50	Single Source Brand	Hormones & Synthetic Subst	\$186,413	0.77%	971	\$5.52	974
24	N/A	COPAXONE	Single Source Brand	Unclassified Agents	\$181,018	0.75%	79	\$56.39	76
25	23	IMITREX	Single Source Brand	Autonomic Drugs	\$179,197	0.74%	900	\$14.11	853

*"Product Name" includes all strengths/formulations of a drug

Prescription Drug Utilization

In summary, the top 25 drugs represent 13.54% of total scripts and 33.23% of total Rx expenditures..

Summary	Net Pay Rx	Scripts Rx	Days Supply Rx
Top Drugs	\$8,014,020	59,612	2,004,194
All Product Names	\$24,113,365	440,174	12,513,253
Top Drugs as Pct of All Drugs	33.23%	13.54%	16.02%

Utilization

The top 25 clinical conditions based on incurred claims for January 2008.

Rank	Prev Rank	Clinical Condition	Net Pay Med	Net Pay IP Acute	Net Pay OP Med	Admits Per 1000 Acute	Days LOS Admit Acute	Visits Per 1000 Office Med	Visits Per 1000 ER	Patients Med	Net Pay Per Pat Med
1	1	Signs/Symptoms/Oth Cond, NEC	\$4,204,246	\$664,997	\$3,498,571	3.25	7.16	388.35	11.33	13,378	\$314.27
2	2	Prevent/Admin Hlth Encounters	\$3,769,897	\$24,131	\$3,744,340	0.10	2.50	701.92	0.81	19,173	\$196.63
3	4	Coronary Artery Disease	\$3,624,093	\$2,577,547	\$1,046,448	6.31	3.69	70.82	3.20	1,552	\$2,335.11
4	3	Respiratory Disord, NEC	\$3,312,877	\$1,012,129	\$2,299,917	2.87	2.80	126.96	17.02	3,959	\$836.80
5	6	Spinal/Back Disorders, NEC	\$3,032,097	\$900,641	\$2,129,326	1.34	2.89	715.21	4.83	7,910	\$383.32
6	5	Gastroint Disord, NEC	\$2,883,609	\$575,087	\$2,308,108	2.77	3.64	172.54	17.26	4,762	\$605.55
7	7	Osteoarthritis	\$2,749,463	\$1,875,966	\$869,983	4.30	3.12	213.76	0.29	3,507	\$783.99
8	8	Arthropathies/Joint Disord NEC	\$2,348,101	\$173,810	\$2,173,563	0.67	3.93	802.01	6.26	10,587	\$221.79
9	11	Infections - ENT Ex Otitis Med	\$1,591,064	\$78,821	\$1,511,428	0.53	2.82	772.74	10.23	15,593	\$102.04
10	9	Cancer - Breast	\$1,430,875	\$62,913	\$1,367,650	0.57	3.00	48.78	0.05	708	\$2,021.01
11	12	Renal Function Failure	\$1,413,373	\$388,775	\$1,010,091	0.38	5.75	14.82	0.29	502	\$2,815.48
12	10	Pregnancy w Vaginal Delivery	\$1,294,445	\$1,288,091	\$6,354	5.74	2.53	0.29		214	\$6,048.81
13	14	Chemotherapy Encounters	\$1,233,980	\$182,471	\$1,051,508	0.48	7.20	1.53		128	\$9,640.47
14	15	Cholecystitis/Cholelithiasis	\$1,043,178	\$342,492	\$700,686	1.48	3.23	7.84	1.53	332	\$3,142.10
15	22	Hypertension, Essential	\$942,362	\$151,105	\$791,224	0.67	2.93	351.10	1.67	7,986	\$118.00
16	13	Condition Rel to Tx - Med/Surg	\$917,463	\$540,955	\$371,564	1.91	5.78	12.34	1.20	430	\$2,133.64
17	N/A	Cancer - Colon	\$890,178	\$425,880	\$464,298	0.62	10.46	13.53	0.19	176	\$5,057.83
18	18	ENT Disorders, NEC	\$867,532	\$16,709	\$850,822	0.05	6.00	674.80	2.63	7,512	\$115.49
19	17	Infec/Inflam - Skin/Subcu Tiss	\$858,089	\$154,814	\$702,569	0.91	5.21	252.54	3.78	5,185	\$165.49
20	21	Hernia/Reflux Esophagitis	\$822,488	\$145,630	\$676,300	0.81	3.65	60.59	1.29	1,555	\$528.93
21	19	Gynecological Disord, NEC	\$818,036	\$102,130	\$715,906	0.62	2.69	89.28	1.82	2,498	\$327.48
22	24	Nutritional Disorders, NEC	\$814,606	\$142,554	\$672,001	0.91	3.00	210.41	1.82	6,402	\$127.24
23	23	Urinary Tract Calculus	\$785,658	\$134,980	\$650,679	0.81	2.41	18.51	3.59	449	\$1,749.80
24	20	Diabetes	\$759,974	\$163,629	\$595,893	0.81	5.24	226.15	1.34	5,122	\$148.37
25	N/A	Pregnancy w Compl or Abortion	\$731,616	\$249,585	\$482,030	1.10	4.35	64.89	2.73	1,529	\$478.49

NOTE: Medical payments represent only the payments made for the specified condition.

Utilization *(continued)*

In Summary, the top clinical conditions represent more than 58.97% of total paid claims for all clinical conditions.

Summary	Net Pay Med	Net Pay IP Acute	Net Pay OP Med	Admits Per 1000 Acute	Days LOS Admit Acute	Visits Per 1000 Office Med	Visits Per 1000 ER
Top Clinical Conditions	\$43,139,301	\$12,375,843	\$30,691,260	40.03	3.89	6,011.72	95.16
All Clinical Conditions	\$73,149,909	\$22,567,175	\$50,456,470	89.47	4.00	9,048.92	199.27
Top Clinical Conditions as Pct of All Clinical Conditions	58.97%	54.84%	60.83%	44.74%	97.37%	66.44%	47.76%

Claims Lag Analysis

The following claims lag information is based on medical claims (does not include Rx) incurred February 2007 through January 2008.

Plan	Number of Medical Claims	Avg Days Lag Per Claim	% Claims Paid Within 30 Days	% Claims Paid Within 60 Days	% Claims Paid Within 90 Days
Commonwealth Enhanced	287,056	15.9	87.22%	96.12%	99.19%
Commonwealth Essential	4,135	18.6	82.18%	94.22%	98.52%
Commonwealth Premiere	375,536	16.2	87.03%	95.85%	99.18%
Commonwealth Select	9,989	16.7	85.77%	94.96%	98.53%
~Missing	1,782	26.7	71.60%	88.44%	98.15%
All Plans	678,498	16.1	87.02%	95.92%	99.17%

**Missing means the claims could not be tagged to a specific plan.*

Claims Lag Analysis *(continued)*

The following claims lag information is based on all claims (**Medical and Rx**) incurred and paid during the most recent rolling year.

	Month Paid					
Month Incurred	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007
Feb 2007	\$1,781,365.13	\$855,631.13	\$479,846.16	\$219,936.50	\$57,381.74	\$77,952.63
Mar 2007	\$6,302,657.93	\$3,344,199.20	\$906,994.53	\$1,531,347.36	\$293,998.61	\$603,304.36
Apr 2007	\$33,125,491.15	\$5,644,548.25	\$2,140,220.39	\$1,369,212.09	\$407,501.21	\$63,281.31
May 2007	\$46,482,597.99	\$35,121,507.39	\$4,965,627.81	\$2,777,600.79	\$702,179.18	\$868,213.03
Jun 2007	N/A	\$50,659,703.73	\$32,839,646.69	\$6,371,563.14	\$1,889,269.24	\$1,528,118.17
Jul 2007	N/A	N/A	\$52,196,605.28	\$34,282,783.70	\$5,298,392.73	\$2,845,661.73
Aug 2007	N/A	N/A	N/A	\$50,987,189.56	\$33,854,734.14	\$7,485,578.35
Sep 2007	N/A	N/A	N/A	N/A	\$40,418,352.08	\$37,875,579.45
Oct 2007	N/A	N/A	N/A	N/A	N/A	\$58,903,772.24
Nov 2007	N/A	N/A	N/A	N/A	N/A	N/A
Dec 2007	N/A	N/A	N/A	N/A	N/A	N/A
Jan 2008	N/A	N/A	N/A	N/A	N/A	N/A

	Month Paid					
Month Incurred	Nov 2007	Dec 2007	Jan 2008	Feb 2008	Mar 2008	April 2008
Feb 2007	\$73,119.29	\$5,200.06	-\$782.34	-\$22,205.81	\$16,785.33	\$5,823.70
Mar 2007	\$146,945.29	\$136,273.54	\$73,804.50	\$47,303.68	\$42,783.80	\$71,850.20
Apr 2007	\$253,896.02	\$90,585.38	\$22,430.43	\$58,900.31	\$82,448.21	\$18,450.18
May 2007	\$454,538.42	\$219,393.67	-\$37,742.99	\$36,845.71	\$68,532.01	\$134,876.18
Jun 2007	\$446,253.57	\$152,809.18	\$116,641.37	\$155,058.20	\$122,072.00	\$24,353.41
Jul 2007	\$1,055,317.16	\$470,666.87	\$292,223.23	\$386,422.19	\$6,867.34	\$63,042.75
Aug 2007	\$1,806,083.47	\$968,455.94	\$494,785.36	\$329,473.85	\$119,021.00	\$149,955.33
Sep 2007	\$4,000,919.63	\$1,697,261.14	\$903,063.64	\$458,424.52	\$284,472.87	\$296,846.62
Oct 2007	\$34,411,552.02	\$4,249,760.57	\$2,759,629.44	\$937,681.20	\$456,486.22	\$325,241.66
Nov 2007	\$52,283,411.58	\$34,436,256.79	\$5,703,654.03	\$1,882,676.35	\$916,916.00	\$586,870.93
Dec 2007	N/A	\$47,473,914.63	\$37,297,727.48	\$4,420,455.50	\$2,765,124.72	\$1,405,895.25
Jan 2008	N/A	N/A	\$54,382,641.09	\$34,877,695.93	\$5,778,835.22	\$2,224,101.68

Claims Distribution Based on Age/Gender

The following is based on claims incurred February 2007 through January 2008.

	Female			Male		
Age Group	Members Avg	Net Pay Med and Rx	Net Pay Per Member	Members Avg	Net Pay Med and Rx	Net Pay Per Member
Ages < 1	1,083.0	\$703,152.12	\$649.26	1,144.0	\$758,235.81	\$662.79
Ages 1-4	5,006.0	\$767,098.28	\$153.24	5,308.0	\$900,643.23	\$169.68
Ages 5-9	6,768.0	\$566,841.49	\$83.75	6,984.0	\$770,466.67	\$110.32
Ages 10-14	7,350.0	\$1,060,725.08	\$144.32	7,669.0	\$976,015.52	\$127.27
Ages 15-17	4,942.0	\$839,622.03	\$169.90	5,360.0	\$767,792.58	\$143.24
Ages 18-19	3,317.0	\$549,508.32	\$165.66	3,431.0	\$778,600.16	\$226.93
Ages 20-24	6,868.0	\$1,398,564.17	\$203.63	5,545.0	\$630,831.62	\$113.77
Ages 25-29	8,755.0	\$2,661,277.44	\$303.97	4,261.0	\$605,810.51	\$142.18
Ages 30-34	9,385.0	\$3,040,836.03	\$324.01	5,163.0	\$848,876.77	\$164.42
Ages 35-39	11,461.0	\$3,896,585.59	\$339.99	5,974.0	\$1,578,672.33	\$264.26
Ages 40-44	12,312.0	\$4,602,220.27	\$373.80	6,662.0	\$2,163,713.13	\$324.78
Ages 45-49	15,050.0	\$6,232,283.02	\$414.11	8,060.0	\$3,144,391.62	\$390.12
Ages 50-54	18,224.0	\$9,126,917.90	\$500.82	10,569.0	\$4,680,541.22	\$442.86
Ages 55-59	20,338.0	\$11,962,869.69	\$588.20	12,854.0	\$7,952,726.07	\$618.70
Ages 60-64	16,504.0	\$12,410,715.16	\$751.98	11,188.0	\$8,050,945.39	\$719.61
Ages 65-74	1,938.0	\$1,358,864.88	\$701.17	1,463.0	\$1,476,929.82	\$1,009.52

Allowed Amount Distribution

The following table shows the distribution of members for whom the amounts of charges within the specified ranges were allowed. The data appears for the years of 2005, 2006, 2007 and 2008.

Allowed Amount	2005	2006	2007	2008
less than 0.00	90	6	2	0
\$0.00 - \$499.99	50,002	54,075	53,901	123,973
\$500.00 - \$999.99	29,232	32,940	33,812	19,608
\$1,000.00 - \$1,999.99	35,407	40,348	42,343	9,490
\$2,000.00 - \$4,999.99	47,471	54,427	56,793	5,563
\$5,000.00 - \$9,999.99	26,210	30,343	32,177	1,999
\$10,000.00 - \$14,999.99	9,138	10,595	11,908	620
\$15,000.00 - \$19,999.99	4,055	4,718	5,450	314
\$20,000.00 - \$29,999.99	3,539	4,277	5,027	273
\$30,000.00 - \$49,999.99	2,312	2,850	3,274	180
\$50,000.00 - \$74,999.99	932	1,091	1,283	55
\$75,000.00 - \$99,999.99	390	466	517	18
\$100,000.00 - \$149,999.99	299	349	411	13
\$150,000.00 - \$199,999.99	116	118	158	4
\$200,000.00 - \$249,999.99	57	62	80	3
over \$249,999.99	74	97	121	2
Total	209,324	236,762	247,257	162,115

Summary of Enrollment and Claims

The following provides a summary of members, incurred medical claims, and incurred Rx claims for the most recent rolling year.

Time Period	Members	Net Pay Med and Rx	Net Pay Med	Net Pay Rx	Claims Paid	Claims Paid Med	Scripts Rx
Feb 2007	241,625	\$80,349,005.23	\$60,555,128.28	\$19,793,876.95	664,400	267,913	389,858
Mar 2007	241,951	\$96,187,578.69	\$73,612,107.54	\$22,575,471.15	750,090	304,373	438,056
Apr 2007	242,700	\$85,784,635.25	\$64,828,122.17	\$20,956,513.08	684,612	276,268	400,943
May 2007	242,972	\$91,794,169.19	\$69,827,413.36	\$21,966,755.83	711,813	287,037	417,104
Jun 2007	243,692	\$94,305,488.70	\$72,885,381.62	\$21,420,107.08	690,179	286,348	396,529
Jul 2007	243,889	\$96,897,982.98	\$75,208,610.74	\$21,689,372.24	706,433	298,200	400,562
Aug 2007	241,422	\$96,195,277.00	\$73,782,895.76	\$22,412,381.24	722,553	299,164	416,124
Sep 2007	242,850	\$85,934,919.95	\$64,728,101.53	\$21,206,818.42	659,579	261,367	391,575
Oct 2007	247,352	\$102,044,123.35	\$78,444,031.48	\$23,600,091.87	744,946	327,670	431,279
Nov 2007	248,216	\$95,809,785.68	\$72,827,703.92	\$22,982,081.76	734,291	304,714	422,391
Dec 2007	249,079	\$93,363,117.58	\$69,903,667.49	\$23,459,450.09	708,064	270,317	430,541
Jan 2008	250,257	\$97,263,273.92	\$73,149,908.79	\$24,113,365.13	760,059	312,042	440,174

NOTE: Includes run out data from all Carriers

The following illustrates the change in incurred claims (includes medical and Rx) by rolling year.

Time Period	Members	Total Medical and Rx Claims	Total Medical Claims	Total Rx Claims
Feb 2006 - Jan 2007	236,706	991,638,871	\$752,005,023	\$239,633,849
Feb 2007 - Jan 2008	245,318	1,123,984,558	\$857,781,287	\$266,203,271
% Change (Roll Yrs)	3.60%	13.30%	14.10%	11.10%